



Financial Statements

Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch

March 31, 2024

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Independent Auditor's Report

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To the Members of
Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch

Qualified Opinion

We have audited the financial statements of Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch (the "Organization"), which comprise the statement of financial position as at March 31, 2024, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives part of its revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the year ended March 31, 2024, current assets as at March 31, 2024, and fund balances as at April 1, 2023 and March 31, 2024.

Additionally, the Organization's capital assets funded by the Ministry of Health - Housing Program, as described in Note 2, are amortized each year at an amount equal to the mortgage principal repayment related to these assets. This policy is in accordance with the Ministry of Health accounting policies. This is not in accordance with ASNPO which requires that capital assets be recognized at cost at the time of acquisition and amortized over the useful life of the asset. Had the Organization amortized these assets in accordance with ASNPO policies, capital assets would have increased by \$696,291 (2023 - \$573,151), fund balances would have increased by \$696,291 (2023 - \$573,151), amortization would have decreased by \$123,140 (2023 - \$101,247), and excess of revenues over expenditures would have increased by \$123,140 (2023 - \$101,247).

Independent Auditor's Report (continued)

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Peterborough, Canada
June 26, 2024

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Statement of Financial Position**

March 31	Operating Fund	Reserve Fund	2024 Total	2023 Total
Assets				
Current				
Cash and cash equivalents	\$ 5,636,493	\$ 991,183	\$ 6,627,676	\$ 5,856,962
Short term investment	-	-	-	105,875
Accounts receivable (Notes 4, 15)	353,746	230,666	584,412	827,493
Prepaid expenses	200,050	-	200,050	116,358
Interfund balances (Note 5)	(356,258)	356,258	-	-
	<u>5,834,031</u>	<u>1,578,107</u>	<u>7,412,138</u>	<u>6,906,688</u>
Capital assets (Note 6)	<u>3,206,844</u>	<u>-</u>	<u>3,206,844</u>	<u>3,292,745</u>
	<u>\$ 9,040,875</u>	<u>\$ 1,578,107</u>	<u>\$ 10,618,982</u>	<u>\$ 10,199,433</u>
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 8)	\$ 1,319,475	\$ -	\$ 1,319,475	\$ 1,149,226
Due to the Province of Ontario (Note 9)	1,175,606	-	1,175,606	992,526
Deferred contributions (Note 10)	1,206,425	-	1,206,425	1,396,854
Scheduled cash repayments for long-term debt (Note 11)	195,846	-	195,846	257,279
	<u>3,897,352</u>	<u>-</u>	<u>3,897,352</u>	<u>3,795,885</u>
Current liabilities before callable debt (Note 11)	<u>3,897,352</u>	<u>-</u>	<u>3,897,352</u>	<u>3,795,885</u>
Callable debt (Note 11)	-	-	-	657,875
	<u>3,897,352</u>	<u>-</u>	<u>3,897,352</u>	<u>4,453,760</u>
Long-term debt (Note 11)	759,741	-	759,741	212,717
Deferred capital contributions (Note 12)	1,923,216	-	1,923,216	2,127,582
	<u>6,580,309</u>	<u>-</u>	<u>6,580,309</u>	<u>6,794,059</u>
Fund balances				
Unrestricted	689,290	-	689,290	712,889
Internally restricted - Invested in capital assets	579,869	-	579,869	404,427
Internally restricted - Other (Note 13)	1,191,407	-	1,191,407	1,214,598
Externally restricted - Reserve	-	1,578,107	1,578,107	1,073,460
	<u>2,460,566</u>	<u>1,578,107</u>	<u>4,038,673</u>	<u>3,405,374</u>
	<u>\$ 9,040,875</u>	<u>\$ 1,578,107</u>	<u>\$ 10,618,982</u>	<u>\$ 10,199,433</u>

Commitments (Note 18)

See accompanying notes to the financial statements.

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Statement of Changes in Fund Balances**

Year ended March 31	Unrestricted	Internally Restricted - Investment in Capital Assets	Internally Restricted - Other	Externally Restricted	2024 Total	2023 Total
Balance, beginning of year	\$ 712,889	\$ 404,427	\$ 1,214,598	\$ 1,073,460	\$ 3,405,374	\$ 2,652,172
Excess of revenues over expenditures	107,505	-	-	525,794	633,299	753,202
Interfund transfers (Note 13)	<u>(131,104)</u>	<u>175,442</u>	<u>(23,191)</u>	<u>(21,147)</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 689,290</u>	<u>\$ 579,869</u>	<u>\$ 1,191,407</u>	<u>\$ 1,578,107</u>	<u>\$ 4,038,673</u>	<u>\$ 3,405,374</u>

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Statement of Operations**

Year ended March 31	Operating Fund	Reserve Fund	2024 Total	2023 Total
Revenues				
Grants (Note 14)	\$ 17,191,286	\$ 515,622	\$ 17,706,908	\$ 16,207,392
Rental income	1,125,056	-	1,125,056	1,086,423
Interest	294,756	52,691	347,447	200,075
Amortization of deferred contributions (Note 12)	316,970	-	316,970	218,672
Donations and fundraising	316,785	-	316,785	265,298
Other (Note 15)	137,115	-	137,115	176,794
Training	129,003	-	129,003	128,663
	<u>19,510,971</u>	<u>568,313</u>	<u>20,079,284</u>	<u>18,283,317</u>
Expenditures				
Salaries and benefits (Note 16)	12,811,578	-	12,811,578	11,294,938
Housing accommodation (Note 15)	3,086,333	-	3,086,333	2,899,332
Program	805,498	18,004	823,502	885,299
Occupancy	666,858	24,515	691,373	780,748
Amortization	539,473	-	539,473	412,385
General office	531,838	-	531,838	240,583
Staff training and travel	360,438	-	360,438	342,349
Professional fees - psychiatry	298,910	-	298,910	383,680
Professional fees	227,137	-	227,137	205,586
Interest on long-term debt	47,869	-	47,869	57,302
Fundraising	27,534	-	27,534	27,913
	<u>19,403,466</u>	<u>42,519</u>	<u>19,445,985</u>	<u>17,530,115</u>
Excess of revenues over expenditures	<u>\$ 107,505</u>	<u>\$ 525,794</u>	<u>\$ 633,299</u>	<u>\$ 753,202</u>

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Statement of Cash Flows**

Year ended March 31	Operating Fund	Reserve Fund	2024 Total	2023 Total
Increase (decrease) in cash				
Operating				
Excess of revenues over expenditures for the year	\$ 107,505	\$ 525,794	\$ 633,299	\$ 753,202
Add (deduct) items not requiring an outlay of cash:				
Amortization	539,473	-	539,473	412,385
Amortization of deferred contributions	<u>(316,970)</u>	<u>-</u>	<u>(316,970)</u>	<u>(218,672)</u>
	330,008	525,794	855,802	946,915
Changes in non-cash working capital items:				
Accounts receivable	380,337	(137,256)	243,081	(546,958)
Prepaid expenses	(83,692)	-	(83,692)	424,582
Short term investment	105,875	-	105,875	(105,875)
Interfund balances	298,512	(298,512)	-	-
Accounts payable and accrued liabilities	170,249	-	170,249	(277,408)
Due to Province of Ontario	183,080	-	183,080	333,114
Deferred contributions	<u>(190,429)</u>	<u>-</u>	<u>(190,429)</u>	<u>224,037</u>
	<u>1,193,940</u>	<u>90,026</u>	<u>1,283,966</u>	<u>998,407</u>
Financing				
Repayment of long-term debt	(240,661)	-	(240,661)	(198,889)
Capital contributions received	112,604	-	112,604	454,683
Issuance of long-term debt	<u>68,376</u>	<u>-</u>	<u>68,376</u>	<u>-</u>
	<u>(59,681)</u>	<u>-</u>	<u>(59,681)</u>	<u>255,794</u>
Investing				
Purchase of capital assets	<u>(432,424)</u>	<u>(21,147)</u>	<u>(453,571)</u>	<u>(922,194)</u>
Increase in cash	701,835	68,879	770,714	332,007
Cash, beginning of year	<u>4,934,658</u>	<u>922,304</u>	<u>5,856,962</u>	<u>5,524,955</u>
Cash, end of year	<u>\$ 5,636,493</u>	<u>\$ 991,183</u>	<u>\$ 6,627,676</u>	<u>\$ 5,856,962</u>

See accompanying notes to the financial statements.

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch

Notes to the Financial Statements

March 31, 2024

1. Nature of the entity

The Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch (the "Organization") is a not-for-profit organization with a mission to work towards and foster a community in which all persons can obtain the best possible services and preventative resources for their mental health.

The Organization was incorporated in Ontario without share capital on April 1, 2013 and as such is prohibited from distributing any of its funds to, or for personal benefit of its members. Upon dissolution of the Organization, any remaining assets are to be distributed to the Canadian Mental Health Association, Ontario Division. The Organization qualifies as a charitable organization as defined in the Federal and Ontario Income Tax Acts and, accordingly, is not subject to income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), except where the Organization has elected to depart from ASNPO in its treatment of amortization of capital assets (see capital assets policy below). The departure consists of amortizing capital assets funded by the Ministry of Health - Housing Program at amounts equal to the annual mortgage principal repayment rather than over the asset's useful lives. The significant policies are detailed as follows:

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. The Organization uses the restricted fund method of accounting for its contributions. Under this method, the Organization reports the use of its resources in one of two funds as follows:

- i. The reserve fund reports all externally restricted funding received from the Ministry of Health - Housing with stipulated use for repairs and replacements of Housing Program capital assets and related externally restricted investment income and the related expenditures.
- ii. The operating fund accounts for the Organization's other activities including program delivery and administrative activities. This fund reports unrestricted revenues, externally restricted operating grants other than those reported in the reserve fund and resources internally restricted by the Board of Directors.

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Revenue and expenditure recognition

Revenues and expenditures are recorded on an accrual basis. The Organization follows the restricted method of accounting for contributions. Contributions include grants, donations and fundraising. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions, other than for capital purchases, are recognized as revenue in the period in which the related expenses are incurred. Contributions restricted for capital purchases are deferred and amortized on the same basis and rate as the amortization of the related capital assets. Restricted contributions for which there is no separate restricted fund, are recognized as revenue in the operating fund in the period in which the related expenses are incurred.

The Province of Ontario provides operating funds which are recorded as revenue in the period to which they relate. Funds approved but not received at the end of the accounting period are accrued. Any unused funds which must be repaid are recorded as a liability.

Rental income earned under lease agreements is recognized on a straight-line basis over the term of the lease.

Interest, training and other income is recognized when earned.

Cash and cash equivalents

Cash and cash equivalents is defined as cash held with Canadian chartered banks, petty cash, and funds held in investment savings accounts.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Capital assets, other than those funded by the Ministry of Health - Housing Program, are amortized on a straight-line basis over their estimated useful lives as follows:

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Capital assets (continued)

Building	40 years
Automotive equipment	10 years
Furniture and equipment	5-25 years
Property improvements	5 years
Leasehold improvements	10 years
Computer equipment	5 years

As required by the Ministry of Health - Housing Program accounting policies, capital assets funded by this program are amortized at an amount equal to the mortgage principal repayment each year. The capital assets funded by this program are presented by location, rather than by asset class.

Capital assets are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Operating leases

An operating lease is a lease whereby substantially all of the benefits and risks incidental to ownership of the property are not transferred to the Organization. Lease rentals under operating leases are included in the determination of excess of revenue over expenditures over the lease term on a straight-line basis.

Contributed materials and services

Contributed materials that are used in the normal course of operations and would otherwise have been purchased are recorded in the financial statements at the time of the contribution and a fair value can be reasonably estimated.

Volunteers contribute a significant amount of their time to assist the Organization in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Notes to the Financial Statements**

March 31, 2024

2. Summary of significant accounting policies (continued)

Government assistance

Government assistance is recorded as revenue when related expenditures are incurred.

Use of estimates

Management reviews the carrying value of items in the financial statements at each reporting date to assess the need for revisions or any possibility of impairment. Management determines estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Estimates are reviewed periodically and adjustments are made to revenue and expenditures as appropriate in the year they become known. The most significant items that involve the use of estimates are revenue recognized from grants and the useful life of capital assets.

The amount due to funders and related revenue recognized from grants requires a number of estimates. If the Organization does not meet the terms of its funding agreements, the grantors have the right to adjust funding repayable by the Organization. The grantors are not required to communicate certain funding adjustments until after the completion of the financial statements. Accordingly, the amount due to funders and related funding revenue recognized during the year may be increased or decreased subsequent to year end. The amount due to funders and related revenue recognized in these financial statements represents management's best estimate of amounts that have been earned during the year.

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

March 31, 2024

2. Summary of significant accounting policies (continued)

Financial instruments

Financial instruments from arm's length transactions

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Organization accounts for the following as financial instruments:

- cash and cash equivalents
- short term investment
- accounts receivable
- accounts payable
- due to Province of Ontario
- long term debt

A financial asset or liability is recognized when the Organization becomes a party to a contractual provision of the instrument.

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial instruments from related party transactions

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Organization's only financial instrument in related party transactions consists of accounts receivable, as disclosed in Note 15, which is initially measured at cost. The Organization does not have any financial liabilities in related party transactions. The Organization does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Organization initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Organization has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Notes to the Financial Statements**

March 31, 2024

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. Financial instruments risks

The Organization is exposed to various risks associated with its financial instruments as described below. Unless otherwise noted, there has been no change in risk exposure from the prior year.

(a) Liquidity risk

Liquidity risk is the risk that the Organization will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Organization's cash requirements.

(b) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Organization is subject to limited interest rate risk on its interest-bearing financial instruments, consisting of long term debt since the instruments have fixed rates (Note 11).

4. Accounts receivable

The accounts receivable is shown net of an allowance for doubtful accounts of \$11,317 (2023 - \$10,301).

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Notes to the Financial Statements**

March 31, 2024

5. Interfund balances

The interfund balances consist of amounts owing/owed between funds. These interfund advances are non-interest bearing with no fixed terms of repayment.

6. Capital assets

Capital assets and related accumulated amortization are classified as follows:

	<u>2024 Cost</u>	<u>2024 Accumulated Amortization</u>	<u>2023 Cost</u>	<u>2023 Accumulated Amortization</u>
Housing program:				
Land, buildings and equipment:	<u>\$ 3,237,914</u>	<u>\$ 2,905,793</u>	<u>\$ 3,237,914</u>	<u>\$ 2,717,143</u>
Other programs:				
Land	325,000	-	325,000	-
Buildings	1,784,431	671,240	1,724,174	628,136
Automotive equipment	1,799,019	613,885	1,605,819	376,908
Furniture and equipment	283,887	161,561	183,320	124,998
Property improvements	97,409	96,045	97,409	96,045
Leasehold improvements	65,093	6,509	-	-
Computer equipment	103,722	34,598	69,266	6,927
	<u>4,458,561</u>	<u>1,583,838</u>	<u>4,004,988</u>	<u>1,233,014</u>
Total	<u>7,696,475</u>	<u>4,489,631</u>	<u>7,242,902</u>	<u>3,950,157</u>
Net book value	<u>\$ 3,206,844</u>		<u>\$ 3,292,745</u>	

Included in automotive equipment is \$193,198 (2023 - \$104,225) and included in buildings is \$60,257 (2023 - \$Nil) of deposits on capital assets which are not being amortized.

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

March 31, 2024

7. Change in accounting estimate

During the year the Organization re-evaluated the useful life of the automotive equipment and determined its total expected useful life to be 10 years and not 5 years as had been previously estimated. This change in accounting estimate has been applied prospectively. The Organization will continue to amortize the automotive equipment on a straight-line basis over the remaining useful life. The impact on amortization expense in the current and future periods is a decrease of \$156,178 per year.

8. Government remittances

Included in accounts payable and accrued liabilities are government remittances of \$120,160 (2023 - \$149,519).

9. Due to the Province of Ontario

This balance consists of grant funding repayable to the Province of Ontario for multiple fiscal years and ministries.

10. Deferred contributions

Deferred contributions consist of grants and donations received for restricted operating purposes which have yet to be spent.

	<u>2024</u>	<u>2023</u>
Balance - beginning of year	\$ 1,396,854	\$ 1,172,817
Funding received	291,551	1,493,615
Funding spent	<u>(481,980)</u>	<u>(1,269,578)</u>
Balance - end of year	<u>\$ 1,206,425</u>	<u>\$ 1,396,854</u>

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Notes to the Financial Statements**

March 31, 2024

11. Long term debt

	<u>2024</u>	<u>2023</u>
Mortgage loans payable to Scotiabank		
Bearing interest at 1.72%, repayable in blended monthly payments of \$5,028, due May 1, 2026	\$ 127,661	\$ 185,860
Bearing interest at 5.12%, repayable in blended monthly payments of \$890, due April 1, 2025	11,148	21,067
Mortgage loans payable to MCAP Financial		
Bearing interest at 3.39%, repayable in blended monthly payments of \$2,537, due March 1, 2024	-	61,166
Bearing interest at 5.97%, repayable in blended monthly payments of \$1,600, due November 1, 2023	-	47,165
Mortgage loan payable to the Great-West Life Assurance Company		
Bearing interest at 6.49%, repayable in blended monthly payments of \$2,023, due January 1, 2026	41,882	62,741
Mortgage loans payable to the People's Trust Company		
Bearing interest at 7.25%, repayable in blended monthly payments of \$1,616, due November 1, 2025	30,381	-
Bearing interest at 6.29%, repayable in blended monthly payments of \$2,579, due April 1, 2025	32,340	-
Bearing interest at 2.38%, repayable in blended monthly payments of \$1,231, due July 1, 2024	15,778	29,989
Bearing interest at 2.38%, repayable in blended monthly payments of \$1,209, due July 1, 2024	15,498	29,456
Bearing interest at 4.05%, repayable in blended monthly payments of \$831, due May 1, 2023	-	1,654
	<u>274,688</u>	<u>439,098</u>
Sub-total		

**Canadian Mental Health Association,
Haliburton, Kawartha, Pine Ridge Branch
Notes to the Financial Statements**

March 31, 2024

11. Long term debt (continued)

	<u>2024</u>	<u>2023</u>
Sub-total from previous page	274,688	439,098
Mortgage loans payable to the Royal Bank of Canada		
Bearing interest at 7.36%, repayable in blended monthly payments of \$4,298, due January 16, 2026 (2023 - due on demand)	474,914	482,789
Bearing interest at 7.36%, repayable in blended monthly payments of \$1,834, due January 16, 2026 (2023 - due on demand)	<u>205,985</u>	<u>205,984</u>
	955,587	1,127,871
Less current portion:		
Cash repayments required within 12 months	(195,846)	(257,279)
Callable debt	<u>-</u>	<u>(657,875)</u>
Long term portion	<u>\$ 759,741</u>	<u>\$ 212,717</u>

The mortgage loans payable are secured by specific charges on the land and buildings of the Organization.

The Province of Ontario negotiates and renews the Housing program loans and the Organization does not participate in the negotiations as the mortgage payments are funded by the province.

	Total
2025	\$ 195,856
2026	123,340
2027	40,052
2028	32,282
2029	34,740
Subsequent years	<u>529,316</u>
	<u>\$ 955,586</u>

**Canadian Mental Health Association,
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12. Deferred capital contributions

Deferred capital contributions represent unspent and unamortized grants and donations received for the purchase of capital assets.

	<u>2024</u>	<u>2023</u>
Balance - beginning of year	\$ 2,127,582	\$ 1,891,571
Funding received	112,604	454,683
Amortization of deferred capital contributions	<u>(316,970)</u>	<u>(218,672)</u>
Balance - end of year	<u>\$ 1,923,216</u>	<u>\$ 2,127,582</u>
Balance - end of year consists of:		
Unspent	\$ 251,829	\$ 367,136
Unamortized	<u>1,671,387</u>	<u>1,760,446</u>
	<u>\$ 1,923,216</u>	<u>\$ 2,127,582</u>

**Canadian Mental Health Association,
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13. Interfund transfers and internally restricted fund

The Board of Directors has approved interfund transfers as follows:

	<u>Unrestricted</u>	<u>Internally restricted - Invested in capital assets</u>	<u>Internally restricted - Other</u>	<u>Externally restricted</u>
Amortization expense	\$ 539,473	\$ (539,473)	\$ -	\$ -
Capital asset purchases	(432,424)	453,571	-	(21,147)
Capital contributions received	112,604	(112,604)	-	-
Amortization of deferred contributions	(316,970)	316,970	-	-
Change in capital contributions unspent	115,307	(115,307)	-	-
Repayment of debt	(240,661)	240,661	-	-
Issuance of debt	68,376	(68,376)	-	-
Transfer of internally restricted - other funds	23,191	-	(23,191)	-
	<u>\$ (131,104)</u>	<u>\$ 175,442</u>	<u>\$ (23,191)</u>	<u>\$ (21,147)</u>

**Canadian Mental Health Association,
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Notes to the Financial Statements**

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13. Interfund transfers and internally restricted fund (continued)

The internally restricted fund - other and interfund transfers within are comprised of the following:

	Balance beginning of year	Interfund transfers	Balance end of year
MMHAC	\$ 418,184	\$ -	\$ 418,184
Fundraising	213,819	24,449	238,268
Making It Work	179,218	-	179,218
Urgent Response	82,674	-	82,674
Housing Bricks and Mortar Maintenance	42,908	-	42,908
DDCC Clinics	38,981	-	38,981
Alternative Business	38,958	-	38,958
Flex Funds	33,500	-	33,500
Community Training	31,973	(489)	31,484
OTN Clinical Sessions	19,980	-	19,980
EPI Consultation	16,370	-	16,370
EPI training	16,308	-	16,308
Trans Peer Outreach	14,931	-	14,931
APS/TAY	7,945	-	7,945
Catering	5,403	-	5,403
City of Peterborough Outreach	3,192	-	3,192
Kids on the Block	2,995	-	2,995
Food Bank	108	-	108
Quality Assurance Wages	44,527	(44,527)	-
Cleaning services	2,624	(2,624)	-
	<u>\$ 1,214,598</u>	<u>\$ (23,191)</u>	<u>\$ 1,191,407</u>

**Canadian Mental Health Association,
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Notes to the Financial Statements**

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14. Grants

Grants are comprised of the following:

	Operating Fund	Reserve Fund	2024 Total	2023 Total
Ontario Health East	\$ 10,329,684	\$ -	\$ 10,329,684	\$ 9,802,253
Ministry of Health - Housing - Rent supplement	1,626,276	269,274	1,895,550	1,744,375
Ministry of Health - Housing - Community Homes for Opportunity	900,379	-	900,379	818,794
Ministry of Health - Housing - Private Non-Profit	558,076	246,348	804,424	695,735
Ministry of Children, Community and Social Service	1,264,349	-	1,264,349	1,258,867
Ministry of Health - Centre of Excellence	1,050,000	-	1,050,000	1,000,000
Municipal funding	346,876	-	346,876	115,329
Fleming Employment Services	340,000	-	340,000	321,658
United Way of Peterborough and District	311,466	-	311,466	308,501
Centre for Addiction and Mental Health	323,599	-	323,599	-
CMHA Toronto	132,804	-	132,804	96,792
Other	7,777	-	7,777	45,088
	\$ 17,191,286	\$ 515,622	\$ 17,706,908	\$ 16,207,392

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

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15. Related party transactions

The Organization exercises significant influence over Canadian Mental Health Association Non-Profit Housing Corporation of Peterborough ("CMHA NPHC") by virtue of its ability to influence decisions such as the properties to be purchased and also provides significant contributions towards the properties purchased. CMHA NPHC was established to provide, acquire, develop and operate non-profit residential accommodation and real estate including incidental facilities and uses thereto. CMHA NPHC provides residential accommodation to clients of the Organization as well as other tenants that are not clients of the Organization. CMHA NPHC is incorporated without share capital under Letters Patent issued by the Province of Ontario and qualifies as a non-profit organization as defined in the Income Tax Act and is therefore not subject to income tax.

During the year, the Organization paid rent (included in housing accommodation and occupancy expenditures) to CMHA NPHC in the amount of \$267,484 (2023 - \$191,704), of which \$165,448 (2023 - \$191,704) was for residential rent and \$102,036 (2023 - \$Nil) was for commercial rent. CMHA NPHC paid maintenance and administrative fees (included in other income) to the Organization in the amount of \$41,125 (2023 - \$44,375). As of March 31, 2024, there is a balance of \$33,263 (2023 - \$23,810) owing from CMHA NPHC to the Organization (included in accounts receivable) which is unsecured, non-interest bearing with no specified repayment terms.

The Organization has entered into two lease agreements with CMHA NPHC. The outstanding commitments on the leases amount to \$3,877 and \$29,678, and end on June 30, 2024, and February 28, 2026, respectively.

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16. Pension plan

Substantially all of the employees of the Organization are eligible to be members of the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer final average pay contributory pension plan. Employer contributions made to the plan by the Organization during the year amounted to \$865,000 (2023 - \$719,569). These amounts are included in salaries and benefits expenditures in the statement of operations.

The most recent valuation for financial reporting purposes completed by HOOPP was as of December 31, 2023 and disclosed the following (in \$ millions) for 2023 and 2022 respectively:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits	\$ 112,635	\$ 103,674
Accrued pension benefit obligation	<u>(102,454)</u>	<u>(92,721)</u>
Pension surplus	<u>\$ 10,181</u>	<u>\$ 10,953</u>

17. Economic dependence

The Organization receives a significant amount of funding from the Province of Ontario and as such is economically dependent on this source of revenue.

Canadian Mental Health Association, Haliburton, Kawartha, Pine Ridge Branch Notes to the Financial Statements

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18. Commitments

a) The Organization has entered into four long-term residential lease agreements for housing clients under the rent supplement program. The agreements have varying terms. The Organization has also entered into one long-term commercial lease agreement for the use of office space.

The total future minimum lease payments in the next five years are as follows:

2025	\$ 390,842
2026	394,504
2027	350,771
2028	320,663
2029	349,485
Thereafter	<u>1,870,284</u>
Total	\$ <u>3,676,549</u>

b) The Organization has also entered into a contract for the purchase of a modular home. The total commitment as of March 31, 2024 is \$277,419.

19. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.
